



**Rule(s) Review Checklist Addendum**  
(This form must be filled out electronically.)

**This form is to be used only if the rule(s) was/were previously reviewed, and has/have not been amended/repealed subsequent to that review.**

All responses should be in **bold** format.

Document(s) Reviewed (include title):

**WAC 458-16-210 Nonprofit organizations or associations organized and conducted for nonsectarian purposes**

Date last reviewed: **9/22/99**

Reviewer: **Kim M. Qually**

Date current review completed: **11/5/02**

Briefly explain the subject matter of the document(s):

**WAC 458-16-210 describes the exemption for nonprofit nonsectarian organizations set forth in the first paragraph of RCW 84.36.030. Organizations exempt under this rule include the YMCA, United Way, and other charitable and benevolent organizations.**

**1. Public requests for review:**

YES	NO	
	<b>X</b>	Is this document being reviewed at this time because of a public (e.g., taxpayer or business association) request?

**2. Related statutes, interpretive and/or policy statements, court decisions, BTA decisions, and WTDs:**

YES	NO	
	<b>X</b>	Are there any statutory changes subsequent to the previous review of this rule that should be incorporated?
	<b>X</b>	Are there any interpretive or policy statements not identified in the previous review of this rule that should be incorporated
	<b>X</b>	Are there any interpretive or policy statements that should be repealed because the information is currently included in this or another rule, or the information is incorrect or not needed?
	<b>X</b>	Are there any Board of Tax Appeals (BTA) decisions, court decisions, or Attorney General Opinions (AGOs) subsequent to the previous review of this rule that provide information that should be incorporated into this rule?
	<b>X</b>	Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) subsequent to the previous review of this rule that provide information that should be incorporated into the rule?



	<b>X</b>	Are there any changes to the recommendations in the previous review of this rule with respect to any of the types of documents noted above?
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**Even though the BTA heard several appeals based on this rule, there is nothing new or unique in any of the findings that require incorporation into the rule.**

**3. Additional information:** Identify any additional issues (other than those noted above or in the previous review) that should be addressed or incorporated into the rule. Note here if you believe the rule can be rewritten and reorganized in a more clear and concise manner.

**The current rule was written in 1994 and is in the format now preferred by DOR. There is no need to amend or revise the rule at this time.**

**4. Listing of documents reviewed:**

Statute(s) Implemented:

**RCW 84.36.030 Property used for character building, benevolent, protective or rehabilitative social services - Camp Facilities - Veteran or relief organization owned property - Property of nonprofit organizations that is debt for student loans or that are guarantee agencies**

Interpretive and/or policy statements (e.g., ETAs, PTAs, and IAGs): **none**

Court Decisions: **none**

Board of Tax Appeals Decisions (BTAs):

**Westminster Presbyterian Church, Inc. v. DOR, BTA Docket No. 44379 (1994) - whether a Church-owned two-story residence, located about one block from the Church, can qualify for exemption as a social service or charitable organization under RCW 84.36.030(1). The Church receives rental income from young people who live in the residence and who provide outreach and social services for the Church.**

**Okanogan Farmworkers Clinic v. DOR, BTA Docket No. 45938, (1994) - Does a medical clinic building, purchased as surplus property from a public hospital district by a nonprofit Washington corporation for use as a dental clinic for low-income persons, qualify for property tax exemption under the provisions of RCW 84.36.030 and 84.36.805(1), requiring exclusive use for the actual operation of the exempt activity, when the clinic is not put to immediate use due to lack of available funds? The issue was whether OFC met the "actual use" requirements of RCW 84.36.805(1), above, during 1993.**

**Inland Empire Residential Resources v. DOR, BTA Docket No. 96-47, (1998) - The issue is whether housing owned by a nonprofit organization which provides subsidized, below-market rental housing for developmentally disabled individuals is entitled to a property tax exemption pursuant to RCW 84.36.030(1). The BTA**



found the property is used to provide a “protective social service” within the meaning of the statute, but that IERR failed to demonstrate it voluntarily contributed at least 10 percent of its income to the support of its exempt activities, as required by WAC 458-16-210(3)(a)(ii).

**The Foundation of Mercy v. DOR, BTA Docket No. 46594, (1995) - The issue in this appeal is whether two houses owned by FOM qualify for the exemption provided in RCW 84.36.030(1). The statute provides an exemption for property that is owned by nonprofit social service entities and is used for certain enumerated purposes. FOM does not provide any activities or perform any services which build character. And even if such services were provided, they would not constitute the “exclusive” use of the properties. The purpose of the two houses is to provide housing.**

Appeals Division Decisions (WTDs): **none**

Attorney General Opinions (AGOs): **none**

Other Documents: **none**

#### 5. Review Recommendation:

- \_\_\_\_\_ **Amend**
- \_\_\_\_\_ **Repeal/Cancel** (Appropriate when action is not conditioned upon another rule-making action or issuance of an interpretive or policy statement.)
- X**   **Leave as is** (Appropriate even if the recommendation is to incorporate the current information into another rule.)
- \_\_\_\_\_ **Begin the rule-making process for possible revision.** (Applies only when the Department has received a petition to revise a rule.)

**Explanation of recommendation:** Provide a brief summary of your recommendation, whether the same as or different from the original review of the document(s). If this recommendation differs from that of the previous review, explain the basis for this difference.

If recommending that the rule be amended, be sure to note whether the basis for the recommendation is to:

- Correct inaccurate tax-reporting information now found in the current rule;
- Incorporate legislation;
- Consolidate information now available in other documents (e.g., ETAs, WTDs, court decisions); or
- Address issues not otherwise addressed in other documents (e.g., ETAs, WTDs, court decisions).



**The current version of the rule is functioning well and providing the appropriate amount of information and guidance. There is no need to revise or amend the rule at this time.**

**6. Manager action:** Date: \_\_\_\_\_

\_\_\_\_\_ Reviewed and accepted recommendation

Amendment priority:

- \_\_\_\_\_ 1
- \_\_\_\_\_ 2
- \_\_\_\_\_ 3
- \_\_\_\_\_ 4